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## CENTRAL INTELLIGENCE AGENCY

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- 25X1 1. The "Ikarusz" Plant at Mátyásföld near Budapest, which until recently built only aircraft, is now producing bodies, chassis and other parts for the construction of various military motor vehicles. Axles, wheels, and motors are being manufactured by the Csepel "Rákosi Mátyás" Combine but assembled ami fitted in the Ikarusz works. The plant has 5,000 workers. Its capacity is 250 motor vehicles per month.
  - 2. The following types of military motor vehicles are being built here: military reconnaissance cars (65 to 70 per month); military ambulances (70 to 85 per month); various types of autobuses; armored cars; military workshop cars; military medical operating and laboratory cars, etc.
  - 3. In addition, the following types are being constructed: "Ikarasz 50" long-distance autobuses; the prototype model was finished in May 1952. This type of car will be exported to the USSR. Its internal outfit can be easily dismounted and exchanged, which makes it fit for troop and sick transport. "Ikarusz 60"; the chassis of this type has just been finished. "On a "Csepel 350" chassis the plant mounted a water tank which allegedly will serve as gas defense in case of war. Armored cars are now built individually; large scale production on an assembly line basis, will only begin next year.
  - 4. The plant also builds cars for civilian use: autobuses for the use of miners; long distance large autobuses for the international traffic, which are exported to Argentina, USSR, India, and Egypt and also to satellite countries. For instance, Bulgaria got 40 such large autobuses this year. Most of the Ikarusz Plant's production is being exported to the USSR and to Poland. Only a small fraction goes to the Hungarian Red Army.

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- 5. Large new building construction is under way in the Ikarusz plants. A big refrigerating hall and a 170,000 cubic meter assembly hall were finished in the fall of 1951. The type "521" autobuses are being assembled there. Another huge building, which cost 28 million forints, was completed in May 1952. The "Ikarusz 30" autobus for 46 persons is being built here. Recently 35 of these were given to the city of Budapest. The gasoline consumption of this type has been greatly reduced. A big new workshop for drying wood is also under construction. Recently the plant introduced a new method for bending tubes. In the body shop several new ribbon saws are being mounted.
- 6. The utmost economy has been decreed in all shops of the plant. First of all economy must be applied in the purchase of new metal ribbon saws, metal saws, profile cutters and other tools. There is an acute shortage in material reserves. There are few metal sheets, few welding machines and even few welders. Machine tools are bad, the number of grinding machines is unsatisfactory so that the workers often have to wait long hours before they can perform their tasks. The new young welders who had been trained in the new short-term schools of the Red regime are working very unsatisfactorily; the old workers have to correct their faults at every step.
- 7. Present management of the Ikarasz works is composed as follows: Director: Andrew Szűcs, a cruel Communist whom everybody hates; Rudolf Szatmári, head of the Communist Party's local organization; and Stephen Kusnyar, head of the trade union.
- 8. The situation of the workers is very bad. Salary is low, a skilled worker, if he works on two Sundays per month, gets a maximum of 700 forints. The norms are fixed so high that the workers are completely exhausted if they fullfill them. The Communist management drives them mercile sly, the slogan is: "Quick, quick, time urges?" A representative of the AVM is permanently in the plant and a noncommissioned police in blue uniform sits in the doorman's box. The AVM representative circulates continually through the plant and observes everything. The living standard of the workers is shockingly low in comparison to their pre-Soviet occupation standard. They are forced to eat in the plant's canteen, which gives bad and tasteless food. Worst of all, the workers practically don't have any free time for themselves. On those Sundays when they do not work and in the evenings after work, they have to participate at endless Party meetings, "educational courses" and similar things. Their morale is therefore very bad.
- 9. The Autorar Plant "Caspel" is at present Hungary's largest plant for the manufacturing of trucks. This plant has 12,000 workers and produces monthly 450 trucks, which go partly to the Hungarian and partly to the other satellite Red armies. The plant is composed of 11 shops. The main axles, differentials, couplings and farding coghheels are manufactured by the Waggon Plant of Gyor. Caspel produces today three types of trucks: "Caspel 150"; "Caspel 300"; and "Caspel 500". They all have double wheels in the rear and have cardan drive. The top above the drivers seat can be opened and an AA machine gun can be fixed there easily. All these trucks

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are for military use and have a capacity of 3.5 tons. A new railroad line is being built in the plant's territory. The tool manufacturing had to be reduced.

10. The Hungarian Optical Works (Magyar Optikai Mivek) recently began the manufacturing of hydraulic brakes, which are distributed between the Csepel and Győr autocar plants. The production of hydraulic brakes is personally supervised by the Hungarian Optical Works new Russian director, Constantin Smirnov, who brought with him also some Russian workers. There is a close collaboration between the Csepel and Ikarusz plants.

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11. The present direction of the Csepel plant is as follows: Director:

Mrs. Francis Biró, the Russian wife of a Hungarian (her Russian maiden
name is unknown); Chief engineer Béla Zentsy, technical director; George Rejtő,
head engineer; Alexander Révai, head of the Communist Party's local organization;
head engineer; Alexander Révai, head of the Communist Party's local organization;
John Karmazsin, trade union leader; Anthony Bartalovics, youth leader.

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